BRIEFING PAPER

EMN Estonia

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"GLOBAL WORKPLACE IS HERE!"

The conference offered insights into opportunities and challenges related to global mobility. The world of work has been changing rapidly, including the degree of internationalisation of work-places. Not only are more and more employers operating across national borders and both transferring and managing employees internationally, but workers themselves are becoming increasingly mobile and seeking out international opportunities.

Opening remarks were given by **Mr Arto Aas**, Director of the Estonian Employers' Confederation, who noted that the lack of employees is one of the biggest obstacles for the growth of companies in Estonia at the moment and called for greater openness and flexibility when it comes to attracting experts to Estonia.

The conference had two sessions, followed by three practical workshops that focused on the recruitment of foreign workers, their onboarding and the structures in place to support their integration into Estonian society. A Conference of EMN Estonia, Mainor AS and Work in Estonia: Overview and Conclusions¹



Key takeaways

- Immigration, automation and longer working lives have mitigated the impact of aging in advanced economies.
- Countries and companies need to make sure they have global mobility programme in place, which is compliant and attractive so that they can attract the global talent.
- Most EU MS have adopted dedicated labour market integration policies, which tend to have two-fold objective: attract and control.
- Refugee's self-reliance is important for the individuals and at the same time companies can benefit from additional workforce and diversity.
- Finland and Estonia both have dedicated programmes in place, which help companies to attract and recruit necessary expertise from abroad.

¹ The conference was held at Ülemiste City in Tallinn, Estonia on 3rd of October 2019.

SESSION I: What is happening?

The first session of the day explored global labour mobility trends and their implications to companies in Europe, but especially in the Baltic Sea Region. Ms Zsoka Koczan from the European Bank for Reconstruction and Development (EBRD), gave an overview of labour migration trends, popular destinations and how migration is impacting the economy. Her presentation drew upon the latest EBRD Transition Report.

Ms Koczan pointed out that immigration, automation and longer working lives have mitigated the impact of aging in advanced economies. The situation in Emerging Europe², however, is slightly different and high levels of emigration have exacerbated skilled shortages. Populations there are also aging rapidly, putting a pressure on governments to leverage technological change, extend working lives, build social safety nets, and to fine-tune migration policies to deal with these challenges.

The presentation continued with the issue of **longer working lives**. In Emerging Europe, labour force participation among older age groups has remained

relatively low with labour force participation among those aged 50-64 at only 60% in 2017. The presentation also touched upon the potential and implications of automation. As labour forces shrink in Emerging Europe and labour costs rise, incentives to automate jobs may be stronger than in other emerging markets. So far robots were primarily used in the manufacturing, especially car industry, but they could become more widespread in the production of chemicals, plastics and metals. Robotisation could have a significant impact on employment levels, yet the direction of impact is not clear: whilst robots may replace some workers, but they may also be complementary to existing skills and workers by increasing productivity. Ms Koczan pointed out that skill shortages is an issue to cope. Emerging Europe generally ranks well in terms of quality of the education, however, ICT skills there are not as strong as in advanced economies.

Next **Ms Deanna Teresa Rasmussen** from the Siemens Gamesa gave an overview of the strategies and challenges of her compny in managing its global. She pointed out that their company has four types of international assignments and explained different compensation and benefits to these groups:

Percentage of respondents who intend to move abroad



Declared intentions to migrate have been rising. Based on World Gallup polls - representative surveys of 1,000+ individuals in each country in each year. People who intend to migrate from the EBRD regions tend to be single, male, young, and urban

² Emerging Europe is a category used by the EBRD to refer to Southeastern Europe (including the Balkans), Central Europe and the Baltics.

Assessments detailing potential reporting obligations for employer and employee regarding taxes, social security, and immigration



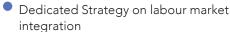
Compliance areas reported by Siemens Gamesa Renewable Energy S.A

- 1) **Business travelers**, who perform non-operational activities which are usually not taxable.
- 2) **Project assignees**, who travel to perform operational activities which are usually taxable and whose monitoring is challenging.
- 3) **Long-term assignees**, who cover a critical leadership position at host country being a manager or senior manager.
- 4) **One-way assignees,** who fill a permanent position in the host country.

She stressed that the main areas of compliance that a multinational company today needs to pay attention to when managing global mobility are individual taxes, permanent establishments/corporate taxes, immigration rules and international social security. She also emphasized that countries and companies need to make sure they have global mobility programme in place, which is compliant and attractive so that they can attract the global talent.

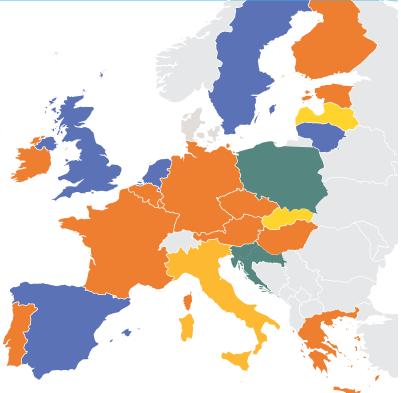
SESSION II: What is being done to onboard foreign employees?

The second session pointed out good public and private initiatives to help companies and foreign employees with integration and onboarding. It began with a presentation from Ms Ave Lauren, the EMN Estonia Coordinator, on European governments' efforts to integrate foreign talents into national labour markets. Her presentation highlighted the key findings of the EMN Report on Labour Market Integration of Third-Country Nationals in EU Member States. She also reminded that while recruiting from abroad is very important, we should not forget about the foreigners that are already in the country. She stressed that foreigners tend to have more difficulties in finding and keeping employment in Europe and pointed out the main reasons for the trend.



- Labour market integration as part of general integration policy/strategy
- Mainstream measures
- Ad hoc measures
- No policy/strategy

Map of Member States' approaches to labour market integration, EMN report on labour market integration



Ms Lauren continued by highlighting that most EU MS have dedicated labour market integration policies in place, which tend to have two-fold objective: attract and control at the same time. There are **public sector** integration measures in place that focus primarily on the phase prior to accessing employment and **private sector** measures which tend to focus on workplace onboarding and intercultural relations.

Her presentation continued with some good practices on labour market integration. Member States are introducing measures to support language training in a professional field, sometimes combined with professional networking, for instance in Sweden migrants are offered a 6 months long professional language course that includes study visits to companies. Member States are also introducing measures for recognizing foreign professional skills. For example MySKILLS program in Germany, which is a computerised test to identify and demonstrate one's professional skills in 4 hours and in eight occupations. The test will be available not only in German but also in English, Russian, Turkish, Farsi and Arabic.

Why do migrant workers find it hard to gain and keep employment in the EU?

- Language skills;
- Accreditation of qualifications;
- Assessment of skills;
- Discrimination within recruitment processes and in the society as a whole;
- Limited awareness of support services, including access to employment services;
- Large influx of migrants (or workers in general) with a similar skill set at the same time may limit opportunities.

The session continued with a presentation by Ms Jenny Beth Bistoyong from UNHCR who gave an overview of the UNHCR-OECD Action Plan on hiring migrants and refugees. Ms Bistoyong stressed that refugee's self-reliance is important for the individuals and at the same time companies are also interested in additional workforce and could gain from diversity. She presented a 10-Point Action Plan resulting from a cooperation between many stakeholders. She

10 POINT ACTION PLAN

for the hiring of refugees

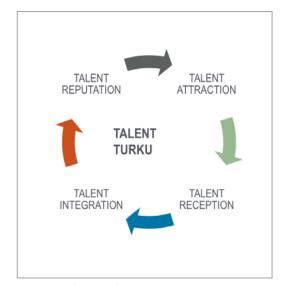
- Action 1 Navigate the administrative framework
- **Action 2** Provide employers with sufficient legal certainty
- Action 3 Identify and verify refugees' skills
- Action 4 Developing skills for job-readiness
- **Action 5** Match refugee talent with employers' needs
- **Action 6** Provide equal opportunities in recruitment and combat stereotypes
- Action 7 Prepare the working environment
- Action 8 Enable long-term employability
- **Action 9** Make the business case for hiring refugees
- **Action 10** Coordinate actions between all stakeholders

also highlighted many good practices from third countries as well as from Europe in enforcing the action plan.

The session was concluded by a joint presentation by Ms Anna Kivinen from Talent Boost Finland, and Mr Leonardo Ortega from Work in Estonia about what is being done in the region. Ms Kivinen stressed that the availability of talents is one of the most important challenge facing companies in Finland, and that all Finnish biggest cities participate in the programme Talent Boost Finland which, inter alia, helps companies in recruiting the necessary expertise from abroad. She also mentioned that Work in Finland programme has been launched in order to attract foreign talent to Finland and talked more extensively about the project Talent Turku, which aims to build a new ecosystem for talent attraction and make Turku the most attractive city in Scandinavia. Turku promotes itself with its excellent work-life balance.

Building a new ecosystem for talent attraction:

- Talent Turku is a network facilitating interaction between all stakeholders willing to make the region internationally appealing place to live and work.
- II. Talent Turku is a platform gathering services for international talent attraction and retention activities.



Project Talent Turku:

Mr Ortega emphasised that Work in Estonia helps Estonian companies to attract and retain people with extraordinary skills from around the world. Estonia has approached talent attraction by thinking of the country as 'a service. In order to achieve that, the Talent Attraction Management Model has been employed, dividing the process into four broad categories: attraction through campaigns, reception to give talents a warm welcome, integration if they stay longer and lastly reputation. The aim is to offer talents the best user experience.

As people prefer a face to face communication, the International House of Estonia was opened, which is a one-stop-shop to get problems solved for talents, their families as well as Estonian returnees and local employers.

Using one word, what is the key ingredient for success in the global workplace?

development

openminded

networking Openness

environment global mindset company culture resilience good management

welcoming

communication

mindset openess

toleranceempathy

work workforce adaptation

involvement patience adaptability

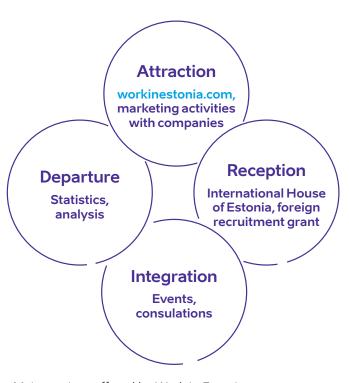
integration easy blending

WORKSHOP I: Looking to recruit?

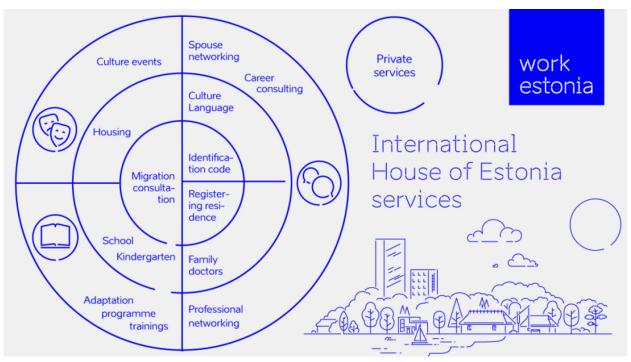
The first workshop aimed to share experiences of international recruitment in the Estonian context. It was moderated by Ms Kristiine Kukk, a recruiter from Veriff, and had three panelists from companies Topia, Fiizy and Helmes, who have had professional experiences with recruiting foreign talents to Estonia. It was stressed that when hiring from abroad, first the company has to know exactly what its needs are. As a good practice for recruitment, employee referrals and LinkedIn was mentioned and also the strategy to actively target for the specific specialist. Also hiring foreign students was highlighted as a good solution.

At the same time, it was mentioned that the participating companies had not had any negative experiences with the people they had recruited from abroad. Thanks to the thorough selection processes, which consists of many rounds and interviews, panelists had been successful in recruiting the right people. Speakers also emphasised that generally foreigners have a good attitude towards Estonia and onboarding is more successful if newcomers have some previous knowledge or experiences with the country.

As for challenges, obtaining visas can be time-consuming, especially as Estonia does not have many embassies or foreign representations. Also difficulties in finding suitable housing and a GP were raised. The latter, however, has been recently addressed with the opening of the health center in Ülemiste City targeted at foreign workers.



Main services offered by Work in Estonia



International House of Estonia services

WORKSHOP II: Looking to onboard?

The second workshop focused on the necessary conditions for foreign employees to thrive in the Estonian workplace. The workshop was moderated by Ms Siiri Sutt, a freelance cultural trainer, who together with representatives from ABB, Fiizy OÜ and Tele2, shared their experiences with onboarding in Estonia. Good practices from different companies were highlighted. For example, in Fiizy there are Experience Mapping Workshops held every three months to find out how new recruits are doing. In ABB there is a Mentors Programme in house, which couples each new employee up with a mentor-colleague for the probation period of the newcomer. It was stressed by all participants that for effective onboarding, empathy and human-level support AND Lots of patience are needed. It was also concluded that intercultural trainings are a necessary precaution for avoiding cultural conflicts. The final conclusion of the workshop supported the opening remarks of Mr Arto Aas - Estonia needs foreign talents and we should be opening the gates, not closing them.

WORKSHOP III: Looking to integrate?

The last workshop was held on the premises of the International House of Estonia - a one-stop-shop service centre, which offers consultations for international newcomers and to their local employers to support foreigners' smooth adaptation in Estonia. The workshop was moderated by Ms Annely Tank, the head of International House. After giving an overview of the various services (migration advice, integration support, career counselling etc) offered, the participants were invited to tackle typical challenges that newcomers often face when arriving to a new country.

Agenda

09.30-10.00 Welcome coffee

SESSION I: WHAT IS HAPPENING? (10:00-11:20).

10:00–10:20 **Opening remarks**, Margus Nõlvak, Mainor Ülemiste; Arto Aas, The Estonian Employers Confederation

10:20–10:50 Work in transition: how migration is impacting the economy, Zsoka Koczan, Principal Economist at the EBRD's Office of the Chief Economist, European Bank for Reconstruction and Development (EBRD)

10:50-11:20 Managing the global workplace: challenges and strategies, Deanna Teresa Rasmussen, Global Mobility Manager NEME, APAC & India, Siemens Gamesa

11:20-11:40 Coffee break

SESSION II: WHAT IS DONE TO ONBOARD FOREIGN EMPLOYEES? (11:40-12:50)

11:40-12:00 How are governments in Europe helping to integrate foreign talents?

Ave Lauren, EMN Estonia

12:00-12:20 Best practices of diversity measures at the work place from OECD-UNHCR, Jenny Beth Bistoyong UNHCR

12:20–12:50 **What is being done in the region?** Leonardo Ortega, Work in Estonia; Anna Kivinen, Talent Boost Finland

12:50-13:50 Lunch

WORKSHOPS (13:50–15:40)

Workshop I: Looking to recruit?

Moderator: Kristiine Kukk; Experiences are shared by Helmes AS, Fiizy OÜ and Topia OÜ

Workshop II: Looking to onboard? Moderator: Siiri Sutt; Experiences are shared by Fiizy OÜ, ABB and Tele2

Workshop III: Looking to integrate? Moderator: Annely Tank

CLOSING REMARKS (15:40–17:00)

15:40–16:00 Closing remarks 16:00–17:00 Networking





The European Migration Network (EMN), established by the Council of the European Union in 2008 and coordinated by the European Commission, is a network for information collection and exchange on migration and asylum issues, comprised of National Contact Points and national networks of relevant stakeholder organisations.

The EMN plays a key role in providing up-to-date, objective, reliable and comparable information on migration and asylum topics to policy makers (at EU and Member State level) and the general public.



EMN Estonia

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